

rate in this Nation is currently dramatically higher than the rate in other major industrialized nations. According to an excellent, comprehensive recent report by an international research group called the Luxembourg Income Study, the child poverty rate in the United Kingdom is less than half our rate—9.9 percent, the rate in France is less than one-third our rate—6.5 percent, and the rate in Denmark—3.3 percent—is about one-sixth our rate.

We know that poverty is bad for children. This for many would qualify as a truism, but perhaps others require to be shown. Nobel Prize-winning economist Robert Solow and the Children's Defense Fund recently conducted the first-ever study of the long-term impact of child poverty. They found that their lowest estimate was that the future cost to society of a single year of poverty for the 15 million poor children in the United States is \$36 billion in lost output per worker. When they included lost work hours, lower skills, and other labor market disadvantages related to poverty, they found that the future cost to society was \$177 billion.

Mr. President, the way in which the Republicans who control both the Senate and the House of Representatives repeatedly have attempted to reform welfare is not what I believe this Nation wants or believes is the proper way, the best way, or the moral way to address poverty and millions of families that are not self-sufficient in our late 20th century society. A number of the components of Republican co-called welfare reform proposals, even charitably, can best be described as punitive, or budget driven. I simply recoiled as I reviewed proposals, for example, to eliminate the access of children to health care. I shook my head in disbelief as I read provisions that would deny food stamps—and very probably a minimally nutritious diet—to children whose parents in some cases have made unacceptable choices, no matter how misguided and unacceptable they are.

But we are faced here, in the institution that has been elected by the people of the United States to make the Nation's major policy decisions and to design its major government interactions with those people, with the necessity to work together to produce change. Either we struggle successfully to reach some kind of middle ground which a majority can accept, or we do nothing at all.

Surely, in welfare as in all other areas, there are those who so fear change—for any of a host of reasons—that they prefer the status quo. I do not believe the status quo best serves this Nation and its people. I do not believe the status quo best serves this Nation's future. And I do not believe the status quo best serves those who are the unfortunate, the impoverished, the destitute, the left out in our Nation.

Democrats have labored mightily to turn a punitive bill into one that will

work, one that would be desirable for the country. I was personally involved in that effort. Last week, I offered an amendment that the Senate approved by voice vote which makes what I believe to be an important change. In keeping with my belief that we must keep our eye on the ball as we legislate—and that objective in this case is to reduce poverty and increase the self-sufficiency of America's poor families—my amendment provides that if a State's child poverty rate increase by 5 percent, then the State must file a corrective action plan with the Secretary of Health and Human Services. If States can—as they and the Republican authors of this bill fervently maintain they can—achieve economies of scale never realized when the program was overseen by the Federal Government, and successfully refocus the program on moving the family heads in welfare families and other impoverished families toward self-sufficiency, then child poverty should decrease. More children, and more families, will be better off if this new approach works. But if that is not the outcome—if child poverty increases, then my amendment will require States to confront that reality and to adjust in an attempt to meet the program's objectives. I and many others will be watching extremely closely to see how the program works, and to see how this adjustment mechanism I authored functions.

And if neither the program nor the adjustment mechanism functions acceptably, I will be the first to fight to devise a new approach. Ultimately, if we are sending Federal money to the States to combat poverty, we must demand that poverty recede.

When I came to the Senate floor this morning, I was gravely concerned that the democratic process, as it often will, had produced an unacceptable product. Despite the addition of my amendment and some amendments by others, this bill still tore huge holes in the safety net.

Today, repair stitches were made in two of the most distressing of these holes. The Senate voted to maintain the current eligibility standards for Medicaid, ensuring that those who now qualify for medical assistance, including those who do so by virtue of their eligibility for the welfare program the legislation would abolish, will continue to qualify for medical assistance. The repair made by the Chafee-Breaux amendment was of great importance.

The Senate also voted to preserve the Food Stamp Program as a Federal assistance program that will be available to all Americans on the basis of the same income and assets limits that now apply. That means the Food Stamp Program will continue to operate as a safety net on a national basis, ensuring that, at the very least, Americans can eat—and that the assistance will fluctuate as it must based on economic conditions across the Nation. The Department of Agriculture had estimated that, if the block grant origi-

nally proposed in this legislation had been in place during the last national recession, 8.3 million fewer children would have been served by the program. Under this bill, not only would they not have had food stamps, many of them would have had no welfare either. Where would they have been, Mr. President? Fortunately, we stitched up this hole today.

When I cast my vote for final passage, I will be very mindful of these critical changes today. I also will be mindful of the fact that this bill was in several ways better than the welfare reform legislation that the Senate passed last fall. This bill includes nearly \$4 billion more for day care for the children of parents required to find and hold jobs. It includes a \$2 billion contingency fund to help States as they try to help what inevitably will be a growing number of impoverished people when recessions hit, as they unquestionably will.

I also will be acutely mindful, Mr. President, of the limits to which I am willing to go with this experiment called for by President Clinton during the 1992 Presidential campaign and endorsed by the Republican Party in the 1994 congressional elections. Ideally, this bill will be improved and strengthened in conference committee. That is certainly possible if the President, who has been very quiet when asked how he believes this bill must be augmented, will clearly enunciate what he believes to be essential ingredients if he is to sign welfare reform legislation into law. I maintain hope that we can provide vouchers that will continue to provide basic human necessities for children whose parents hit the lifetime assistance limit imposed by this bill. I also hope that the cutoff of legal immigrants will be rethought and at the very least made less severe. The President can and I hope will lead the way in both these matters and others.

At the very least, Mr. President, there must not be reversion or erosion in this legislation. We must not see retrenchment with regard to those few hard-won improvements that make this bill a marginally acceptable risk. It is time for an experiment that we hope will improve the lives and opportunities of millions of families and their children. It is not time to take frightful risks with those lives, based on a groundless faith that harsh discipline will remedy all social ills. I must serve notice that if the legislation that returns for final Senate approval increases those risks, I will oppose it.

If this bill becomes law, Mr. President, no one should prepare to relax. We have much, much more to do and this is only the opening chapter. As this new picture unfolds, I will be watching intently—and I will not be alone—to be certain that our efforts and resources have a positive effect on children and families, and that they have real opportunities to realize their potential as human beings. That is the